

## Message Text

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41

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-07 INR-07 LAB-04

NSAE-00 SIL-01 DODE-00 PA-02 USIA-15 PRS-01 SP-02

TRSE-00 OMB-01 /053 W  
----- 051066

R 170700Z APR 75

FM AMEMBASSY STOCKHOLM  
TO SECSTATE WASHDC 4445  
INFO AMEMBASSY COPENHAGEN  
AMEMBASSY HELSINKI  
AMEMBASSY OSLO

UNCLAS STOCKHOLM 1834

E.O. 11652: N/A  
TAGS: ELAB, SW  
SUBJECT: NEW WAGE AGREEMENT FOR STATE EMPLOYEES

REF: STOCKHOLM 1630

1. A 2-YEAR CONTRACT COVERING SOME HALF-MILLION EMPLOYEES OF NATIONAL GOVERNMENT WAS SIGNED APRIL 15. THIS IS FIRST OF THREE SEPARATE CENTRAL NEGOTIATIONS (OTHERS ARE PRIVATE INDUSTRY AND LOCAL GOVERNMENT) TO BE CONCLUDED SUCCESSFULLY. NEW CONTRACT WILL RESULT IN 27 PERCENT INCREASE IN LABOR COSTS OVER PERIOD. SINCE THIS FIGURE INCLUDES APPROXIMATELY 8 PERCENT BOOST IN SOCIAL CONTRIBUTIONS BY GOVERNMENT, INCREASE IN CASH WAGES AVERAGES 19.3 PERCENT; 11.8 FOR 1975 AND 7.5 FOR 1976. INCREASES HAVE BEEN APPORTIONED TO FAVOR MIDDLE AND LOWER LEVELS OF PAY SCALE. BY 1976, MONTHLY SALARIES WILL RANGE FROM 2,296 TO 13,408 KRONOR (\$1 EQUALS 4 KRONOR). AS SUBSTITUTE FOR COST-OF-LIVING ESCALATOR CLAUSE WHICH RECEIVED SOME CONSIDERATION, CONTRACT HAS MORE FLEXIBLE FORMULA THAT PERMITS REOPENING OF NEGOTIATIONS IN EVENT SIGNIFICANT CHANGES OCCUR IN NATIONAL ECONOMY OR OTHER EMPLOYEE GROUPS GET SUBSTANTIALLY BETTER SETTLEMENTS. CONTRACT IS RETROACTIVE TO JANUARY 1.

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2. NO ONE DOUBTS THAT FINANCE MINISTER STRANG WAS BEHIND

DECISION TO SWEETEN GOVERNMENT OFFER WHICH LED TO SETTLEMENT. HE HAS EXPRESSED CONCERN SEVERAL TIMES ABOUT DISTURBING EFFECTS ON ECONOMY OF LONG, DRAWN OUT WAGE NEGOTIATIONS. UNDERLYING PURPOSE OF STRANG MOVE, THEREFORE, WAS TO BREAK ICE IN BARGAINING ARENA SUBJECT TO HIS CONTROL SO AS TO ESTABLISH PATTERN FOR ALL-IMPORTANT PRIVATE SECTOR NEGOTIATORS TO FOLLOW. IN RESPONSE TO SUCH SPECULATIONS, SAF HAS DECLARED IT SEES NO REASON TO RECONSIDER ITS LAST PROPOSAL. AT GOVERNMENT'S REQUEST, HOWEVER, LO AND SAF HAVE AGREED TO TAKE FINAL CRACK AT AN ACCOMMODATION BEFORE MEDIATION COMMISSION IS CALLED IN.

3. PRESS HAS WELCOMED NEW AGREEMENT WHILE EXPRESSING CONCERN OVER ITS INFLATIONARY IMPACT.

STRAUSZ-HUPE

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LABOR RELATIONS, LABOR UNIONS, COLLECTIVE BARGAINING AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 APR 1975  
**Decapton Date:** 01 JAN 1960  
**Decapton Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STOCKH01834  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750134-0827  
**From:** STOCKHOLM  
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**Office:** ACTION EUR  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
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**Previous Handling Restrictions:** n/a  
**Reference:** 75 STOCKHOLM 1630  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 01 JUL 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <01 JUL 2003 by SilvaL0>; APPROVED <30 JAN 2004 by ShawDG>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NEW WAGE AGREEMENT FOR STATE EMPLOYEES  
**TAGS:** ELAB, SW  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006